

INTRODUCTION

Missaukee County Prosecuting Attorney (PA) had a contract with the Michigan Family Independence Agency (FIA) to establish paternity and to obtain support orders for all cases where the Missaukee County PA had jurisdiction. The Missaukee County PA billed FIA monthly under the actual cost reimbursement billing method. FIA reimbursed Missaukee County PA for their costs based on the Federal IV-D Program regulations.

SCOPE

We performed an audit of the costs submitted for reimbursement by the Missaukee County PA for the period January 1 through December 31, 1998. Our audit was conducted in accordance with Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. We performed the audit tests that we determined were necessary to determine if costs charged were proper, accurate, documented, and charged in accordance with the terms of the contract.

EXECUTIVE SUMMARY

We found that the Missaukee County PA overbilled FIA for some line items. The State share of the net amount overbilled was \$ 458 (See Schedule A.)

Our report recommends the Family Independence Services Administration initiate the process to recoup \$458 from the Missaukee County PA.

PA Response

The Missaukee Prosecuting Attorney is in general agreement with the findings.

FINDINGS

Personnel -Salary Related Expense.

1. The Missaukee County PA overbilled FIA for workers compensation for \$44 due to the actual cost being less than the billed amount. (See Schedule A.)

Central Service Cost Allocation

2. The Missaukee County PA overbilled FIA for fringe benefit expense of \$569. The fringe benefits were billed through the cost allocation plan as well as being billed as a direct expense. (See Schedule A.)

WE RECOMMEND the Family Independence Services Administration initiate the process to recoup \$458 from the Missaukee County PA.

Finding #	Line Item	Year	(Over)/Under Billed Gross Amount	IV-D %	(Over)/Under Billed IV-D Amount	Due (State) County
1	Personnel	1998	(291)	15.00%	\$ (44)	
2	Personnel	1998	(3,791)	15.00%	\$ (569)	
Grand Total of the IV-D Audit Adjustments					\$ (612)	
Calculation of the Payment Due the (State) County						
						Total
Audited IV-D Amount			22,042		22,042	
IV-D Amount Used for the Payments Actually Made			(22,654)		(22,654)	
IV-D Audit Adjustment Due (State)			(612)		(612)	
County						
State Share %			74.87%			
			(458)	\$ -		(458)